



Department Source: Information Technology

To: City Council

From: City Manager & Staff

Council Meeting Date: October 17, 2022

Re: Agreement with Industrial Defender

Executive Summary

The IT Department, with the cooperation of Columbia Water & Light Department (CWLD), would like the City Manager to sign an agreement with iDefender, LLC for Industrial Defender software which is used in the Energy Management System for monitoring and managing the safety of Industrial Control Systems (ICS). The licenses to use Industrial Defender are perpetual licenses, meaning these are only purchased once.

Discussion

Industrial Defender is a comprehensive cybersecurity tool that identifies, monitors and manages Industrial Control Systems (ICS) and Operational Technology (OT). It will be used in the City's Energy Management System, which is regulated by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) Standards. Funding for this cybersecurity tool has been approved in the FY23 budget.

Industrial Defender will be used for three primary purposes; asset management, threat detection and vulnerability management. Essentially it keeps track of what devices are on the utility network, how these are accessed and who is accessing them. These are called baselines. If a baseline changes without any documented or planned change, it immediately notifies the City's cybersecurity team and system administrators. It can even react to cyberattacks and begin closing off network access while protecting the critical systems on the network.

There have been numerous reports about utilities being severely impacted from cyberattacks, including ransomware, malware and other malicious hacking techniques. These are usually reports about major utility service providers being hacked, but cyberattacks continue to target smaller utilities more frequently. When this happens, the City's cyberattack defenses need to be as strong as possible. This proactive, long-term solution will enhance the security of the Energy Management System in use at the City of Columbia.

Purchase costs have been included in the FY2023 budget. The initial cost of the product, \$291,700, includes perpetual licenses which never need to be renewed, installation and training. Three years of support is included with the initial purchase. After three years, support for Industrial Defender is quoted at \$30,000 per year for software updates and technical support with no more than a 5% increase annually.



Fiscal Impact

Short-Term Impact: \$291,700

Long-Term Impact: \$30,000 per year after initial three years with no more than a 5% increase annually

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Organizational Excellence, Secondary Impact: Reliable Infrastructure,
Tertiary Impact: Tertiary

Comprehensive Plan Impacts:

Primary Impact: Livable & Sustainable Communities, Secondary Impact: Infrastructure,
Tertiary Impact: Tertiary

Legislative History

Date	Action
None	None

Suggested Council Action

Staff recommends approval.